



**USAID**  
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# WEST BANK AND GAZA ECONOMIC GROWTH AND INFRASTRUCTURE

USAID's Economic Growth and Infrastructure Office generates tangible benefits in the lives of Palestinians by increasing access to clean, reliable and affordable water and energy and stimulating the growth of the Palestinian economy. Since 1994, USAID has been one of the largest donors in the infrastructure sector in the West Bank and Gaza, with projects that include upgrading water and sanitation systems and constructing and rehabilitating roads, schools, clinics, and other community infrastructure. USAID investments in the water sector increase access to water supplies and sanitation systems and facilitate the sustainable use of limited resources. Activities include rehabilitating wells, installing pipelines, constructing reservoirs, upgrading and expanding household networks, and expanding small-scale desalination plants. These efforts lead to improvements in the safety, quality, and reliability of water services for 2.7 million Palestinians. USAID improves access to clean, reliable, and affordable energy for households, social services, and businesses. Activities include demonstrating the feasibility of renewable energy applications and improving the legal, regulatory and policy frameworks to support energy sector growth. USAID fosters market-oriented growth of the Palestinian economy by reducing physical and administrative barriers to trade, improving transport infrastructure to facilitate freer movement of people and goods, increasing private sector competitiveness, and improving the business and investment enabling environment. USAID priorities include increasing Palestinian exports and import substitution, using technology and innovation to make firms more competitive, better aligning the skills of the workforce with the needs of the Palestinian private sector, increasing access to capital, and reducing regulatory constraints.

## ACTIVITIES

**Infrastructure Needs Program II:** INP II designs and constructs large-scale water and sanitation and transport sector infrastructure. INP II improves reliability and sustainability of water services, enables economic growth, and reduces obstacles to movement and access of people and goods. INP II has improved water supply to over one million people and installed 14.5 kilometers of sewage pipes. *Implementing Partners:* Black & Veatch; AIC, LLC; APCO/ArCon; BLD Services, LLC; IRD; The Morganti Group Inc; and CDM Constructors Inc. / *Duration:* 2010-2018

**Local Construction Program:** LCP works with local firms to construct small and medium-scale infrastructure including water and sanitation systems, roads, and schools. LCP road upgrades benefit nearly 82,000 drivers and improved water supply is accessible to 25,000 people. *Implementing Partners:* Black & Veatch; Arab Brothers Construction & Infrastructure; Osaily Trading Contracting Co.; Saqa Skills & Quality

Construction; Saqqa and Khoudary Co. Ltd.; Tarifi Contracting & Reconstruction Company; and Technical Group Company for General Contracting / Duration: 2013-2018

**Palestinian Community Infrastructure Development Program (PCID):** PCID constructs small and medium scale community infrastructure, including water networks, schools, health clinics, and youth centers to address priority human needs in vulnerable communities. PCID increases access to household water and sanitation services, reduce overcrowding and improve school facilities, and improve access to and efficiency of other basic services, benefiting 260,000 people in 42 marginalized areas. *Implementing Partner: ANERA / Duration: 2013-2018*

**Energy Program:** This project supports sustainable energy independence through capacity building of energy institutions; strengthening commercial operations of distribution companies; and implementing pilot activities. In support of the 2016 agreement to transfer ownership and control of energy assets from Israel to the Palestinian Authority, USAID will provide assistance to the energy transmission system; define terms for electricity sale to connection point owners; install monitoring, management, and billing technology; and improve performance of key energy institutions. *Implementing Partner: AECOM / Duration: 2016-2020*

**Improved Access to Essential WASH Services in Gaza:** This activity assists more than 235,000 Palestinians by enhancing access to potable water and sanitation; rehabilitating and upgrading water and wastewater networks; repairing storm water pumping stations; supporting household water storage and sanitation facilities; and procuring and distributing emergency hygiene kits. *Implementing Partner: UNICEF / Duration: 2015-2017*

**Compete:** Compete boosts the local economy, creates jobs, and enables Palestinian businesses to compete globally. Compete assists firms to strengthen existing and establish new links with external buyers and build their capacity to respond to emerging market opportunities in agriculture, stone and marble, information and communications technology, and tourism. Compete is introducing better land use technologies and expanding agricultural production, including pilot projects in Area C. Compete is also introducing treated wastewater to increase agricultural production and working to rebuild key industries in Gaza. To date, Compete has assisted 984 firms, leveraged more than \$85 million of private sector investment, and expanded exports by \$135 million into 39 new markets. *Implementing Partner: Development Alternatives Inc. / Duration: 2011-2017*

**Loan Guarantee Facility III:** Together with Overseas Private Investment Corporation (OPIC), USAID is supporting local bank lending to small and medium-size enterprises (SMEs) via a loan guarantee facility. Expanding on an existing OPIC-guaranteed SME lending platform, LGF III continues to enhance the number and quality of loans from private banks to private SMEs. LGF III has increased SMEs' access to finance through the disbursement of 149 loans totaling \$28.5 million. Nearly 26 supported SMEs were new borrowers *Implementing Partner: Middle East Investment Initiative / Duration: 2015-2027*

**Lease Portfolio Guarantee Agreement with PalLease:** Through an agreement with PalLease, USAID encourages the development of productive asset leasing to micro, small and medium-sized enterprises in the West Bank. USAID provides a portfolio guarantee to PalLease to cover a portion of defaults under lease coverage. *Implementing Partner: PalLease Company / Duration: 2015-2022*

## CONTACTS

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